

099312

~~76-0480~~
099312

REPORT TO THE CONGRESS
UNITED STATES GENERAL ACCOUNTING OFFICE

SEP 3 1976



BY THE COMPTROLLER GENERAL
OF THE UNITED STATES
LIBRARY SYSTEM

GAO



LM099312

Progress In Improving
Fiscal, Budgetary, And
Program-Related Information
For The Congress

In this third annual report on improving fiscal, budgetary, and program-related information for the Congress, GAO reports considerable progress during the past year.

This report shows, however, that much improvement is still needed in existing information and its presentation to the Congress.

PAD-76-64

~~703528~~
099312

AUG. 30. 1976



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

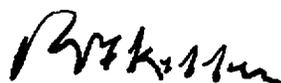
B-115398

To the President of the Senate and the
Speaker of the House of Representatives

This third report is submitted to the Congress in accordance with section 202(e) of the Legislative Reorganization Act of 1970, as amended by title VIII of the Congressional Budget Act of 1974. This section requires us to report to the Congress annually on the progress and results of our continuing program to improve the usefulness of fiscal, budgetary, and program-related information to congressional users.

We have made considerable progress during the past year in defining and developing information requirements of the Congress; however, this process will require much effort over a number of years. This report describes the initial stages of helping the Congress obtain the information it needs to better evaluate Federal programs and thus to improve its ability to assess resource requirements as they relate to national priorities and to recognize those opportunities to best achieve desired program results.

We are sending copies of this report to the Director, Congressional Budget Office; the Secretary of the Treasury; and the Director, Office of Management and Budget.


ACTING Comptroller General
of the United States

C o n t e n t s

		<u>Page</u>
DIGEST		i
CHAPTER		
1	INTRODUCTION	1
2	CONGRESSIONAL INFORMATION NEEDS	3
	Federal program information	3
	Committee oversight information needs	7
	Individual program information needs and classification structures	9
	Unified classification structure for research and development	11
3	STANDARD TERMINOLOGY, DEFINITIONS, CLASSI- FICATIONS, AND CODES	14
	Standard terminology and definitions	14
	Standard functional and subfunctional classifications	15
	Standard data codes	17
4	IMPROVING ACCESS BY THE CONGRESS TO EXECU- TIVE BRANCH INFORMATION	18
5	MONITORING RECURRING REPORTING REQUIREMENTS OF THE CONGRESS	20
6	EXECUTIVE BRANCH PROGRESS IN IMPROVING IN- FORMATION FOR THE CONGRESS	22

ABBREVIATIONS

GAO	General Accounting Office
GSA	General Services Administration
OMB	Office of Management and Budget

D I G E S T

This is GAO's third annual report on the continuing program to improve fiscal, budgetary, and program-related information for the Congress, as required by the Congressional Budget Act of 1974.

GAO's work in fulfilling the act's requirements includes assistance to appropriations and authorizing committees. The scope of the work has varied; much of it has been in response to specific committee requests.

Assistance provided to the authorizing committees has included (1) specifying and obtaining information needed to support the committees' preparation of the March 15, 1976, views and estimates reports and (2) broader assistance in developing overall information needs. (See p. 3.)

GAO is continuing to work with the appropriations committees to prepare information requirements documents that identify and discuss needs for information about appropriation and fund accounts or account groups. (See p. 9.)

Other areas discussed in this report include GAO's work in developing, establishing, maintaining, and publishing standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information. (See ch. 3.)

Efforts related to publishing a series of directories which reflect an inventory of program-related information, part of the program to help the Congress obtain and use information, are summarized in chapter 4. GAO accomplishments in monitoring recurring reporting requirements of the Congress are described in chapter 5.

Although considerable progress was made during the past year in defining and developing information requirements of the Congress, this process will require much effort over a number of years. This report describes the initial stages of helping the Congress obtain the information it needs to better evaluate Federal programs. Better information will improve Congress' ability to assess resource requirements as they relate to national priorities and to recognize those opportunities that will best achieve desired program results.

Much improvement is needed in existing information and its presentation to the Congress. As the Congress meets the new responsibilities set forth in the Congressional Budget Act of 1974, its requirements for information from the executive branch will continue to evolve and grow.

A cooperative spirit has been established between the legislative and executive branches on working toward improved fiscal, budgetary, and program-related information for the Congress. However, cooperative spirit between the two branches will not be sufficient by itself. A large increase in resources allocated to the task by central executive branch agencies, particularly the Office of Management and Budget will be required. (See p. 23.)

CHAPTER 1

INTRODUCTION

This is our third annual report required by title VIII of the Congressional Budget Act of 1974 (Public Law 93-344). The Congressional Budget Act of 1974 established a new congressional budget process. Title VIII of that act amended the Legislative Reorganization Act of 1970 (Public Law 91-510) and assigned certain responsibilities to the Comptroller General of the United States.

Title VIII sets forth the following requirements relative to this report:

- The Comptroller General of the United States, in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget (OMB), and the Director of the Congressional Budget Office, shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information.
- The Comptroller General of the United States shall conduct a continuing program to identify and specify the needs of the committees and Members of Congress for fiscal, budgetary, and program-related information to support the objectives of this part.
- The Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicate or unneeded reporting.

Section 202(e) of the Legislative Reorganization Act of 1970, as amended, requires this report from the Comptroller General on our work and progress in these areas. Section 202(e) states:

"On or before September 1, 1974, and each year thereafter, the Comptroller General shall report to the

Congress on needs identified and specified under subsection (c); the relationship of these needs to the existing reporting requirements; the extent to which the executive branch reporting presently meets the identified needs; the specification of changes to standard classifications needed to meet congressional needs; the activities, progress, and results of his activities under subsection (d); and the progress that the executive branch has made during the past year."

Although considerable progress has been made during the past year in defining and developing information requirements of the Congress, it should be recognized that the process of developing these information requirements will require much effort over a number of years. This report describes the initial stages of our effort to help the Congress obtain the information it needs to better evaluate Federal programs. This work will improve Congress's ability to assess resource requirements in terms of national priorities as well as to recognize those opportunities that will best achieve desired program results.

Much improvement is needed in existing information and its presentation to the Congress. The Congressional Budget Act of 1974 places many new responsibilities on the Congress. It is evident that as the Congress meets these responsibilities, its requirements for information from the executive branch will continue to evolve and grow.

CHAPTER 2

CONGRESSIONAL INFORMATION NEEDS

Our work in fulfilling the Congressional Budget Act of 1974 requirement that the Comptroller General conduct a continuing program to identify and specify the needs of the committees and Members of Congress for fiscal, budgetary, and program-related information includes work for both appropriations and authorizing committees. The scope of the work has varied and much of it has been in response to specific committee requests.

FEDERAL PROGRAM INFORMATION

We devoted substantial resources during the past year to developing information requirements for many of the authorizing committees. This work included assistance in specifying and obtaining the information needed to support the committees' preparation of the March 15, 1976, views and estimates reports and broader assistance in defining and developing information requirements which support other phases of the new congressional budget process.

The new budget process has had an important impact on the standing committees of the Congress, both in terms of new responsibilities and fixed timetables for required actions. As a part of the new budget process set forth in the Congressional Budget Act of 1974, the Congress adopts the first concurrent resolution on the budget setting forth, among other things, the appropriate levels of total budget authority and total outlays, an estimate of budget outlays and an appropriate level of new budget authority for each major functional category, the level of revenues, the level of debt, and the appropriate amount of surplus or deficit in the budget. To assist in preparing the budget committee reports on the concurrent resolutions, the standing committees of each House must submit a report to their respective budget committee each year. The report is due on or before March 15 and is to contain the committee's views and estimates with respect to all items to be set forth in the first concurrent resolution on the budget which relate to matters within the respective jurisdiction or functions of such committee.

Many authorizing committees expressed the need for budget amounts organized by programs and activities authorized by legislation (or proposed for authorization) under the

jurisdiction of the particular committee. In several cases additional information was required to be presented for current services budget estimates and 5-year projections related to programs and activities authorized by legislation (or proposed for authorization). Our assistance to 24 House and Senate authorizing committees required developing formats and instructions, communicating the information requirements to about 80 executive agencies, collecting the information, and assembling it for the committees.

The presentations developed for these committees identified each Federal program and activity authorized by legislation under the committees' jurisdiction. For each program we identified the budget function and subfunction, the names, titles, and sections of the public laws; the name of the program or activity; the appropriation account number; the administering agency; the amounts authorized (if specified in the authorizing legislation); the expiration dates of the legislation or program; and related budget authority and outlays for the past, current, and budget year. A sample of the type of information required follows.

SAMPLE OF INFORMATION DEVELOPED FOR VIEWS AND ESTIMATES REPORTS
(Dollars in Thousands)

Function Subfunction Act Title Section/program (agency)	Appropriation account number	Authorization			Budget authority			Outlays		
		1975	1976	1977	1975	1976	1977	1975	1976	1977
COMMERCE AND TRANSPORTATION(400)										
OTHER TRANSPORTATION (407)										
Transportation Safety Act of 1974 (Public Law 93-633):										
Title III:										
Section 304:										
Aviation Accident and Safety Investigation. (NTSB). 31-47-0310-0-1-407	12,000	12,000	17,300	7,528	7,954	8,178	7,033	8,160	8,092	
Highway Accident and Safety Investigation. (NTSB). 31-47-0310-0-1-407				567	439	524	429	551	546	
Marine Accident and Safety Investigation. (NTSB). 31-47-0310-0-1-407				192	155	185	172	194	193	
Railroad Accident and Safety Investigation. (NTSB). 31-47-0310-0-1-407				375	1,653	1,974	257	2,073	2,056	
Pipeline Accident and Safety Investigation. (NTSB). 31-47-0310-0-1-407				117	232	278	86	292	289	
Hazardous Materials Accident and Safety Invest- gation. (NTSB). 31-47-0310-0-1-407				74	103	123	86	130	129	
Certificate or License Appeal. (NTSB). 31-47-0310-0-1-407				787	724	378	515	600	595	
Hazardous Material Transportation Act/Natural Gas Program (DOT/MTB) 21-05-0102-0-1-407				1,728	2,730	2,987				
Natural Gas Pipeline Safety Act of 1968 (DOT/05), Section 5/ Grants-in-Aid for Natural Gas Pipeline Safety. 21-05-0104-0-1-407				1,158	1,650	2,500			2,500	
U.S. Coast Guard Appropriation Authorization (Public Law 94-54), Title I, Section I 21-15-0240-0-1-407										
Vessels. 21-15-0240-0-1-407	22,676	28,842		22,106	28,842	70,423	38,281	15,432	19,318	
Aircraft. 21-15-0240-0-1-407	17,793	36,000		15,000	36,000	32,900				
Construction. 21-15-0240-0-1-407	74,731	60,082		66,270	44,524	22,525	62,826	13,992	9,373	
Military Personnel Strength. 21-15-0240-0-1-407				1,992	2,393	2,444	2,053	2,393	2,444	
Coast Guard (Public Law 93-283, 14 U.S.C. et seq.), Title I, Section 2- Other acquisitions, improvements & expenses. 21-15-0240-0-1-407				3,008	44,341	42,758	2,950	113,187	97,965	

Note:

- DOT--Department of Transportation
- MTB--Materials Transportation Bureau
- NTSB--National Transportation Safety Board

BEST DOCUMENT AVAILABLE

Several committees requested that we systematically provide this information to them each year. In view of the continuing need for program-level information and the cumbersome and time-consuming job of manually providing it, we are automating the data base already assembled. Using the automated information will greatly decrease the time required to update and assemble required information and increase our flexibility in responding to special requests. The automated capability will facilitate:

--Updating the data base.

--Sorting information by committee, agency, function, subfunction, appropriation account, authorizing legislation, or authorization termination dates.

--Accessing related information in other automated systems that is coded by budget account number.

One of the outputs of the system will go to agencies as an update format. Updated agency data will then be available for use by committees in preparing views and estimates reports.

Considerable additional work will be required to prepare and test computer programs designed to effectively use this information. Because the information base used to set up the system has some limitations, additional work will be required over the coming months to refine and standardize the information. We plan to fill information gaps, analyze additional related information requirements, standardize data (particularly references to legislation), correct errors, and establish an update schedule.

Additional needs for this type of information exist. For example, the Senate Committee on Government Operations requested a presentation of all Federal programs organized by budget function, authorizing legislation, and congressional committee jurisdiction. The information developed for the March 15 views and estimates reports was used as a basis for responding to this request. Limited additional analysis was performed to reconcile the information to the President's budget, where possible, and to identify some of the legislation and programs that were not included in the original work. This information represents a presentation of the entire Federal budget by function, authorizing legislation, and committee jurisdiction and was provided to the Committee. The presentation is to be issued as a committee print by the Senate Committee on Government Operations.

We received a request from the Temporary Select Committee to Study the Senate Committee System for information to aid in its analysis of jurisdictional issues. The Committee stated that it had an urgent requirement for a presentation of Federal programs organized in terms of the particular Senate committee which has the primary authorization or legislative jurisdiction for the programs. This information was assembled from the data we had prepared for the Senate Government Operations Committee and provided to the Select Committee. We have automated this data to more readily meet such committees continuing needs.

COMMITTEE OVERSIGHT INFORMATION NEEDS

As an outgrowth of our work to develop and supply program-level information to the committees for use in preparing views and estimates reports, we have received requests from several committees to provide broader assistance in developing their overall information needs.

The Senate Committee on Labor and Public Welfare requested that we advise and assist the Committee in specifying and developing its overall information requirements in order to fully participate in the new congressional budget process and to strengthen the oversight function for the Federal programs under its jurisdiction. This Committee's needs are shared by most authorizing committees. We feel that the experience gained in this work for the Senate Labor and Public Welfare Committee will give us the capability to more effectively advise and assist the Congress on oversight processes and information needs generally.

We provided the Committee with an initial document discussing their information needs (Discussion of Information Needs, Senate Committee on Labor and Public Welfare, Dec. 18, 1975, OPA-76-57) which identified critical points in the budget process, the type of information needed by the Committee for the budget and legislative process in broad terms, and the general type of program execution information needed to assist in the oversight function.

With the initial assessment of Committee needs as a basis, we are working closely with Committee staff to develop two information systems models which could satisfy some of the Committee's more critical information requirements utilizing data gathered from agencies and the budgetary process. Information for testing the models will be collected from programs of the Office of Education, National Institutes of Health, and the National Institute for Occupational Safety and Health.

The first model contains information used by the Committee in the development of the March 15 views and estimates reports. The system's design for this model will take into consideration the information necessary to enable the Committee to follow the full range of budget-related congressional actions on these programs throughout the year.

The second model will contain program planning and execution information to support oversight responsibilities. This information will be of assistance to the Committee in the development of proposed legislation, changes to current legislation, and participation in the budget process. The information in this system will include program description, objectives, program evaluation sources, target groups, performance indexes, recipients, and budget execution data.

Tests and analyses of the first model's capabilities began in August 1976 and will be continued through the fall. The refined models will be considered for broader application to other program interests of the Committee.

We plan to develop the models using a computer-based retrieval system which will allow the terminal operator to quickly answer defined questions and to specify, sort, aggregate, perform mathematical computations, and list information elements. This will allow the Committee to more efficiently use its limited time in analyzing the information and developing responses for its requirements.

The remainder of the information to be collected for testing the information systems models will continue to be determined based on our assessment of available information and will be obtained from currently available source documents and files whenever possible. Second priority will be given to information available but not easily accessible.

Our work for the Senate Labor and Public Welfare Committee will serve as a model for similar assessments of needs of other committees. Requests have already been received to provide similar assistance to other committees and will be fulfilled as experience and capability allow. The Senate Committee on Agriculture and Forestry has requested our assistance in specifying and developing overall information requirements to more fully support the congressional budget process and to strengthen its oversight functions. Requests have been received from the Senate Committee on Commerce and the House Committee on Interior and Insular Affairs.

Following the Senate Committee on Agriculture and Forestry's request for assistance in the development of its overall information requirements, the Committee has requested our assistance in an evaluation of the soil and water conservation programs. In responding to the immediate and specific requirements for this evaluation, we will also identify the types of program information that should be provided to the Committee by the executive departments and agencies on a regular and periodic basis to support the Committee's continuing oversight information requirements for these particular programs.

INDIVIDUAL PROGRAM INFORMATION NEEDS
AND CLASSIFICATION STRUCTURES

We are continuing to prepare information requirements documents which address the identified needs for information about appropriation and fund accounts or account groups. This work is considered important in fulfilling the Comptroller General's responsibility to identify and specify the needs of the committees and Members of Congress for fiscal, budgetary, and program-related information. Although this work is being performed directly for the House and Senate Committees on Appropriations, it has also been very useful in our work with the authorizing committees. These documents are prepared on the basis of our analysis of existing information and discussions with appropriations committee staff members and agency representatives. They contain proposed reporting formats and cycles, information elements and their definitions, and classification structures. Our recommendations for improvements to information currently provided by executive branch agencies are also included in the requirements documents.

Since our last report, we have continued to review accounts and programs in the Department of Agriculture, Department of Housing and Urban Development, and Veterans Administration. However, heavy workload in other areas has not allowed us to make as much progress as we had hoped. In the past year, we have completed or have in process documents covering 22 Department of Agriculture accounts and 11 Veterans Administration accounts.

In our last report, we stated that we had completed analysis of all the Department of Housing and Urban Development accounts and issued initial information requirements documents covering 49 accounts. Since then we have had discussions with Committee and agency personnel and agreed to modify these documents. We have begun to modify these documents by concentrating on a single Department of Housing and Urban

Development organization, the Community Planning and Development Administration, in order to provide better specifications of the nature, scope, and intent of our more general proposals.

The Soil Conservation Service is one Department of Agriculture bureau for which program classification structures have been developed. The Department of Agriculture made much progress toward implementing our recommendations in its 1977 budget material. An example of one of these program structures before and after revision follows.

Soil Conservation Service
Conservation Operations Account

FY 1976 structure

Assistance to Conservation
Districts, Communities,
and Other Cooperators:
Soil surveys
Technical programing,
installation services,
and snow surveys
Operation of plant ma-
terials centers

FY 1977 structure

Conservation Operations:
Technical assistance:
 Planning
 Application
Soil surveys
Snow survey water fore-
 casting
Operation of plant ma-
 terials centers
Land inventory and
 monitoring

Our work to assess the needs of the House and Senate Committees on Appropriations, Subcommittees on Agriculture and Related Agencies, has been beneficial to both the Appropriations Subcommittees and the Senate Committee on Agriculture and Forestry. Our program classification structure work on the Soil Conservation Service programs will aid in responding to the Senate Committee on Agriculture and Forestry request for information for a planned comprehensive review and oversight of soil and water conservation programs.

Recommendations were also made concerning improved classification structures for and information on the programs of the Department of Agriculture's Animal and Plant Health Inspection Service and for implementation of earlier recommendations at the Farmers Home Administration. Some proposed improvements were adopted by the Animal and Plant Health Inspection Service and the Farmers Home Administration in their 1977 budget materials. We are discussing remaining matters with these organizations.

The General Services Administration (GSA) has responded more completely this year to requirements we specified which

were transmitted to GSA last year by the House Appropriations Committee, Subcommittee on Treasury, Postal Service and General Government. Last year, GSA was unable to provide the Subcommittee all the budget justification information requested. This year, however, following the transmittal of the formal justifications, GSA transmitted the supplemental information covering most of the requirements. In the future, the Subcommittee has requested that all this information be incorporated in the basic justification booklet transmitted in January. This would give the Subcommittee enough time to review all of the justifications. Incorporating all the justification displays in one comprehensive package would enhance their usefulness.

Additional justification information that GSA has provided in response to our specifications includes information on space assigned; vacant unassigned space; lease space requirements; alterations and major repair; and phase-out, excess, and disposed space. We and the Subcommittee staff will continue to evaluate this information to identify the need for further improvement and the additional information that may be required.

In response to a requirement for a quarterly reimbursable reporting system designed by us last year, GSA has provided reports to the Subcommittee. These reports provide expense and income information on the reimbursable programs broken down by agency. GSA plans to expand the report to include amounts related to unfilled customer orders and work in progress broken down by reimbursable programs and agencies.

UNIFIED CLASSIFICATION STRUCTURE FOR RESEARCH AND DEVELOPMENT

As an outgrowth of our work to assess information requirements of selected subcommittees of the Committees on Appropriations and to develop improvements in the information supplied to them and at the encouragement of staff members of the House Committee on Science and Technology, we have developed a unified objective-oriented classification structure for use in presenting Federal research and development budgetary data. This classification structure will provide Government-wide information in a manner that will facilitate analysis, coordination, and oversight.

Our structure will provide a framework for analyzing the level of research and development which Federal agencies commit or plan to commit to finding solutions to specific national problems or to accomplishing specific national objectives. This information should be very useful to congressional and

other Federal officials who formulate national science and technology policy and oversee these activities. The executive branch does not currently provide the Congress a picture of Federal research and development that is sufficiently clear, comprehensive, and timely to enable meaningful comparisons. Such comparative information is needed to improve congressional capability to analyze the total Federal commitment to research and development and the relative balance of programs with respect to national priorities. With the new timetables for budget authorization and appropriation actions established by the Congressional Budget Act of 1974, the schedule for providing such information to the Congress each year is critical.

One of the 13 major categories of the unified classification structure for Federal research and development follows.

III. ENVIRONMENTAL QUALITY IMPROVEMENT

- A. Identify Pollutant Effects
 - 1. Air
 - 2. Water
 - 3. Solid Waste
 - 4. Pesticides
 - 5. Noise
 - 6. Radiation
- B. Understand Pollution Processes
 - 1. Air
 - 2. Water
 - 3. Solid Waste
 - 4. Pesticides
 - 5. Noise
 - 6. Radiation
- C. Control and Abate Pollutants
 - 1. Air
 - 2. Water
 - 3. Solid Waste
 - 4. Pesticides
 - 5. Noise
- D. Understand, Describe, Predict, and Affect Weather and Natural Hazards
 - 1. Regional Environmental Systems
 - 2. Climate and Weather Study
 - 3. Weather Modification
 - 4. Disaster and Natural Hazards Studies and Control

To implement this classification structure, each agency will assign its research and development funds to the appropriate categories on the basis of detailed definitions and

instructions on research to be included in and excluded from each category. Executive agency personnel who are responsible for managing research and development would have the information needed to assign their projects to the appropriate categories in our structure more accurately than would external analysts.

In September 1975, we sent the structure to the Office of Management and Budget for implementation. OMB agreed to gather data on selected categories of the structure for presentation with the fiscal year 1977 budget. Fourteen agencies provided information for this partial data collection effort which included 7 of the structure's 13 categories. This test demonstrates that OMB and the agencies can familiarize themselves with this system and its definitions, implement the new structure, and present the information to the Congress in a timely manner. OMB, in its October 1975 response, suggested a test of the full structure after the fiscal year 1977 budget is submitted. However, they have not yet agreed to conduct this test. In addition, it does not appear they plan to further implement the structure at this time.

We are currently preparing a report to the Congress on the unified classification structure and will continue to work toward its full implementation.

CHAPTER 3

STANDARD TERMINOLOGY, DEFINITIONS,

CLASSIFICATIONS, AND CODES

Section 202(a)(1) of the Legislative Reorganization Act of 1970, as amended, requires the Comptroller General of the United States, in cooperation with the Secretary of the Treasury; the Director, Office of Management and Budget; and the Director, Congressional Budget Office, to develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information.

STANDARD TERMINOLOGY AND DEFINITIONS

In November 1975, we published a glossary of about 90 terms and definitions entitled, "Budgetary Definitions" (OPA-76-8). They were developed from various sources, in coordination with the Department of the Treasury, OMB, and the Congressional Budget Office. We have distributed over 6,000 copies of the glossary, with circulation to all Federal agencies, congressional committees, Members of Congress, and many other interested organizations and individuals.

Our initial efforts to develop standard terminology and definitions were directed toward terms relating to the formulation and enactment of the Federal budget. We felt that these were particularly important in light of the new congressional participants and the new budget process.

We are working on a revised edition of the glossary to include additional terms, primarily those related to the budget execution process and economic terms commonly used in discussions of the budget. We anticipate that the addition of these terms will approximately double the size of the current glossary. The revised edition should be available later this year.

Underlying the definitions are concepts and precedents in budgeting, authorizing, and appropriating. Therefore, we are examining the past and current practices for selected types of funding methods as they relate to congressional controllability. This work is closely coordinated with other legislative branch studies of controllability. Currently, we are studying revolving funds and Federal credit programs.

We also address the usage of terms and funding methods in commenting on bills and in response to specific requests for our views by committees.

The House Budget Committee's Task Force on Budget Controllability requested a study of the use of revolving funds. The study will discuss the current practices and trends in the use of revolving funds and implications for congressional budget control.

We are studying the current budget treatment of Federal credit programs. The study addresses (1) the disclosure and usefulness of currently reported cost information, (2) the implications of multiyear financing and use of borrowing authority for budget control, (3) the exclusion of the activities of the Federal Financing Bank from the budget, and (4) the need for an adequate measure of the interest subsidy element in Federal credit programs.

STANDARD FUNCTIONAL AND SUBFUNCTIONAL CLASSIFICATIONS

We have continued work toward developing standard classifications. A working group was formed in the summer of 1975 to seek a consensus within the legislative branch as to changes required in the classification structure. The working group, comprised of staff members from the Senate and House Committees on the Budget and Appropriations, the Congressional Budget Office, and GAO, met periodically on this subject over a period of 6 months. Although a consensus was not reached relative to specific changes, these discussions enabled us to gain considerable insight into an overall approach.

Based on these discussions we published a staff study, Proposed Budget Classifications, Functions, and Subfunctions (OPA-76-32) in February 1976. The study was circulated to the participants in the new budget process, including all standing committees of the Congress, OMB, the Congressional Budget Office, the Department of the Treasury, and the Congressional Research Service. We have received a wide range of comments on the approach outlined.

Our goal has been to develop a classification structure to provide assistance to the Congress in evaluating competing national priorities as well as to consistently provide quality data. Our ongoing work at the appropriation and fund account level and in the development and display of budget data related to authorizing statutes will provide

a continually improving base for a standard classification structure which systematically groups Federal programs by primary purpose. In addition, it will aid in the development of a standard coding system to permit secondary classifications so that budget information can be used as flexibly as possible. We recognize that this process is evolutionary and accordingly we believe that it is necessary to continue development and presentation of alternatives so that the Congress can best determine the structure which is most appropriate for its decisionmaking process.

To begin moving toward a classification structure which will better facilitate decisionmaking by the Congress, we have proposed changes in the existing structure of functions and subfunctions. Our proposed changes were transmitted to the Congress in a report, Standard Budget Classifications - Proposed Functions and Subfunctions (PAD-76-49) in August 1976. The report proposes an increase in the number of functions and subfunctions to permit greater flexibility in reaggregating data to meet the various needs of the participants under the new budget process. The report recommends that OMB include a presentation of the budget using this structure as a supplement to the existing structure in the budget documents for fiscal year 1978.

We believe this approach will best allow the Congress a basis to compare the existing functional category structure of the President's budget to determine which structure or combination of structures is best for formulating the congressional budget. In addition, it would maintain continuity and provide experience in dealing with new aggregations of the existing data during a time when the Congress will gain an additional year of experience with the new budget process. Although OMB disagrees with the recommendations, we will continue to work towards their implementation.

In addition to our work of improving the classification structure, we have an ongoing study to identify and categorize tax expenditures with the existing functional classifications so that they may be more readily associated with related direct expenditure programs. This will provide the Congress and other users of the materials with better insight regarding the total Federal resources expended or foregone in support of a particular function.

STANDARD DATA CODES

Section 202(a)(1) also requires standardization of the codes used for Federal fiscal, budgetary, and program-related data.

OMB and the Department of the Treasury, with our agreement and encouragement, have adopted a standard 11-digit code for use in the executive budget and fiscal information systems and in the documents and tapes submitted to the Congress. The standard 11-digit code includes codes for:

- Departments and agencies.
- Appropriation and fund accounts.
- Federal functions.

These codes include identification of organizational units at the department, agency, and major bureau levels, which is adequate for central budgeting and accounting. However, codes are needed for lower levels of Government, with the most immediate need for use in the development of the Federal Personnel Management Information System. Therefore, work has been initiated on the development of standard codes for Federal organization designation expanding from the department, agency, and major bureau designations included in the standard 11-digit budget and fiscal data code. This work is being performed through the existing Interagency Advisory Group for the Federal Personnel Management Information System with augmentation from other functional areas (including accounting, budgeting, and data processing standards), because of their immediate need and established coordination procedures.

CHAPTER 4

IMPROVING ACCESS BY THE CONGRESS TO

EXECUTIVE BRANCH INFORMATION

As a part of our program to help the Congress obtain and use information as required by title VIII of the Congressional Budget Act of 1974, we plan to publish a periodic series of directories reflecting an inventory of program-related information comprised primarily of information collected from executive branch agencies. Our purpose in publishing these directories is to facilitate identification, acquisition, and compilation of relevant and reliable information which may be needed by the Congress in carrying out its oversight and budget control responsibilities.

The three directories will be distributed to congressional offices during September and October 1976. In addition, the inventory data is being added to the Congressional Research Service's (SCORPIO) system so they can be searched by computer along with other research files accessible by computer terminal from congressional offices.

The directories are:

- Recurring Reports to the Congress: A Directory.
- Federal Program Evaluations: A Directory for the Congress.
- Federal Information Sources and Systems: A Directory for the Congress.

Recurring Reports to the Congress: A Directory is an indexed directory and guide to reports required of the executive branch by the Congress on a recurring basis. It describes nearly 800 reports required of 89 executive branch agencies. These reports are related to statutory and non-statutory reporting requirements. The information assembled for this directory is discussed further in chapter 5.

Federal Program Evaluations: A Directory for the Congress will provide an indexed directory and guide to program evaluation reports produced by or for the Government. It contains an inventory of approximately 1,700 evaluation reports produced by and for 18 selected Federal agencies, including our evaluation reports that relate to the programs

of those agencies. This directory relates evaluations to programs, agencies, and budget functional classifications.

Federal Information Sources and Systems: A Directory for the Congress provides an indexed directory and guide to Federal sources and information systems which contain budgetary, fiscal, and program-related data. The directory relates sources and systems to budget functional classifications. It describes approximately 1,000 Federal sources and information systems maintained by 63 executive agencies.

CHAPTER 5

MONITORING RECURRING REPORTING

REQUIREMENTS OF THE CONGRESS

Section 202(d) of the Legislative Reorganization Act of 1970, as amended, states that the Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees. It further states that the Comptroller General will make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs, to enhance their usefulness to the congressional users, and to eliminate duplicative or unneeded reporting.

We reported last year that our goal was to establish a complete and accurate computer-based inventory of the congressional requirements for recurring reports by June 30, 1976. The initial inventory has been compiled and a computerized data base has been established. This inventory will be published in Recurring Reports to the Congress: A Directory.

During August 1976 we requested update information for the inventory of recurring reports from the executive agencies. Along with this request, we provided a listing of reports which were identified as possible omissions from the agencies' initial submission. The reports were identified by searching legislation utilizing the Department of Justice's Information Retrieval System. It is a computerized legal research system that has enabled us to search legislation for reporting requirements and to identify reports required by law but not included in the data provided by agencies.

We plan to continue using the Department of Justice's system to update the inventory of reporting requirements. In addition, we review and scan newly enacted legislation for changes to reporting requirements. Annually, we will request updated information from agencies to include non-statutory requirements and verification of statutory changes identified.

In 1973, we evaluated the usefulness of all of the reports received by the Congress on a recurring basis at the request of the Chairman, House Committee on Government Oper-

ations. This review involved interviews with the staffs of most committees. A report, (B-115398) was submitted to the House Government Operations Committee on October 26, 1973, and draft legislation was provided the next month. An amended version of this draft legislation was enacted as Public Law 93-608 on January 2, 1975, which eliminated 23 statutory requirements and modified 11 others. The review also identified 102 report requirements with potential for modification or elimination. On December 5, 1975, we issued letters to recipient committees following up on the need for these reports. All committees have not responded to this request but when all responses are received and processed, we will draft the necessary legislation to eliminate unnecessary reports.

After completing the updating process currently under way, we plan to provide each congressional committee with a listing of report requirements for which they are recipients. Report recipients were identified through work with the Office of the Clerk of the House and the Office of the Secretary of the Senate. Each committee will be asked to evaluate the usefulness of the reports received and make recommendations for improvements. These evaluations will be coordinated with the appropriate agency and necessary action will be taken to improve, change, or eliminate the requirement.

Now that our computer-based file has been established, we can provide specialized listings of recurring reporting requirements of the Congress. The data in this file can be retrieved by keyword, recipient, statute due date, submitting agency, or other designations. Statistical analyses can also be generated.

CHAPTER 6

EXECUTIVE BRANCH PROGRESS

IN IMPROVING INFORMATION

FOR THE CONGRESS

One area specified by Section 202(e) for coverage in this report is the progress that the executive branch has made during the past year to meet information needs identified by the Comptroller General. This issue is addressed throughout our report as it relates to each section of the report. Two additional areas are covered in this chapter. The Office of Management and Budget's Circular No. A-11 and the Department of the Treasury and OMB's March 1, 1976, report.

The new congressional budget process will require additional information to assure its success. The full long-term implications of these needs are not known. However, a systematic approach to filling these needs must be developed to decrease the burden on the agencies. During this past year, one of the most evident needs has been for program-level information for preparation of views and estimates reports. Considerable effort was required from the agencies to provide this information. We received excellent cooperation and plan to work closely with the agencies to systematize this process in future years and to decrease the agency burden.

One method of communicating congressional information needs to the executive branch has been through comments on and suggested input to OMB's Circular No. A-11, Preparation and Submission of Budget Estimates. GAO developed recommendations for A-11 revisions with the Congressional Budget Office and in coordination with appropriate congressional information users. Some of these recommendations represent a repetition of suggestions made in our past year comments on A-11. It is evident that in order to fill many of the needs identified in relation to the new budget process, we and the committees will have to increase individual dealings with executive agencies.

Section 202(f) of the act requires that on or before March 1, 1975, and each year thereafter, the OMB Director and the Secretary of the Treasury report to the Congress on their plans to address the needs identified and specified by the Comptroller General. On March 1, 1976, the Second Annual

Report to Congress on Fiscal and Budgetary Information and Controls was issued in response to this requirement.

One issue addressed in that report is the problem of relating fiscal and budgetary data which results from variances in OMB and Treasury account identification codes. We advocate the proposed standardization of these identification codes.

In concluding their report, OMB and the Treasury Department stated: "This report * * * underscores the cooperative spirit that now exists between the legislative and executive branches on working toward their common goal for improving fiscal and budgetary information." We recognize this cooperative spirit and look forward to continuing progress toward our common goals.

However, we wish to specifically note that cooperative spirit between the two branches will not be sufficient, by itself, for the satisfactory achievement of the objective of improved information for the Congress. In our judgment, it will require large increases in the resources allocated to the task by central executive branch agencies, particularly OMB. For example, at present we estimate not more than 10 to 12 staff years above preexisting levels are allocated to the task at OMB. Tripling this number would surely be none too many.

Copies of GAO reports are available to the general public at a cost of \$1.00 a copy. There is no charge for reports furnished to Members of Congress and congressional committee staff members. Officials of Federal, State, and local governments may receive up to 10 copies free of charge. Members of the press; college libraries, faculty members, and students; and non-profit organizations may receive up to 2 copies free of charge. Requests for larger quantities should be accompanied by payment.

Requesters entitled to reports without charge should address their requests to:

U.S. General Accounting Office
Distribution Section, Room 4522
441 G Street, NW.
Washington, D.C. 20548

Requesters who are required to pay for reports should send their requests with checks or money orders to:

U.S. General Accounting Office
Distribution Section
P.O. Box 1020
Washington, D.C. 20013

Checks or money orders should be made payable to the U.S. General Accounting Office. Stamps or Superintendent of Documents coupons will not be accepted. Please do not send cash.

To expedite filling your order, use the report number in the lower left corner and the date in the lower right corner of the front cover.

GAO reports are now available on microfiche. If such copies will meet your needs, be sure to specify that you want microfiche copies.

AN EQUAL OPPORTUNITY EMPLOYER

UNITED STATES
GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID
U. S. GENERAL ACCOUNTING OFFICE



THIRD CLASS